

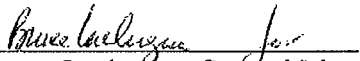
**SECRETARY's CERTIFICATE
PAJARO VALLEY WATER MANAGEMENT AGENCY**

The undersigned, Linda Contreras, does hereby certify that she is a duly elected, acting and qualified Secretary of Pajaro Valley Water Management Agency ("PVWMA").

In my capacity as Secretary of PVWMA, I hereby certify as follows:

1. Resolution. Attached hereto as Exhibit A is a true, correct and complete copy of Resolution 2002-05 duly adopted at a meeting of the Board of Directors of PVWMA on February 7, 2002, Adopting a Revised Basin Management Plan, including a Recommended Alternative. This resolution has not been amended, modified, supplemented or rescinded, and remains in full force and effect as of the date hereof.

IN WITNESS WHEREOF, I have hereunto affixed my signature this 10th day of December, 2007.



Bruce Laclergue, General Manager
-for-
Linda Contreras, Secretary



Resolution 2002-05

A Resolution of the Board of Directors of the
Pajaro Valley Water Management Agency

Adopting a Revised Basin Management Plan, Including a Recommended Alternative

WHEREAS, The Pajaro Valley Water Management Agency (Agency) was formed, among other reasons, to provide integrated management of the ground and surface water resources within the Pajaro Basin. As the sole local agency responsible for the integrated management of water resources for the Pajaro Basin, the Agency bears responsibility for the management and augmentation of water supplies for domestic, agricultural, municipal and industrial purposes; and

WHEREAS, in 1993, the Agency developed a long-term Basin Management Plan ("1993 BMP"), which identified various water supply projects involving local water sources and importation of supplemental water, to balance water demands with water supplies in the Pajaro basin; and

WHEREAS, on May 19, 1999 by Resolution 99-05, the Agency Board of Directors certified the Final Environmental Impact Report (State Clearinghouse #97021006) for the implementation and construction of the Local Water Supply and Distribution Project ("Local Projects EIR"); and

WHEREAS, on May 19, 1999 by Resolution 99-05, the Board of Directors adopted a Statement of Findings, a Statement of Overriding Considerations and a Mitigation Monitoring /Reporting Program for the Harkins Slough component of the Local Projects EIR; and

WHEREAS, on November 15, 2000 by Resolution 2000-24, the Board of Directors adopted Findings Regarding Significant and Potentially Significant Impacts Considerations, and a Mitigation Monitoring Plan for the Coastal Distribution System Component of the Local Projects EIR; and

WHEREAS, on November 7, 2001 by Resolution 2001-18, the Board of Directors adopted an Addendum to the Local Projects EIR for supplemental wells and connecting pipeline at Harkins Slough; and

WHEREAS, after a 24-month public process consisting of public workshops, public hearings and public committee meetings, along with substantial input from the Action Pajaro Valley Ag/Water Committee, the Agency has prepared a Revised Basin Management Plan ("Revised BMP"); and

WHEREAS, the Revised BMP identifies a Recommended Alternative, which is described in Exhibit A to this Resolution and incorporated herein, which represents the most feasible combination of water supply projects and basin management strategies, implemented in phases, to most effectively stop seawater intrusion and increase the safe yield of the groundwater basin; and

WHEREAS, the phased implementation approach of the Recommended Alternative allows PVWMA to modify future project components based on actual (future) demand conditions and performance of water supply projects and basin management strategies in Phases I and II; and

WHEREAS, in accordance with the California Environmental Quality Act ("CEQA"), the Agency adopted Resolution 2002-04, certifying a Final Environmental Impact Report on February 6, 2002, which evaluated the environmental effects of certain water supply projects and basin management strategies within the Recommended Alternative; and

WHEREAS, certain water supply projects and basin management strategies in the Recommended Alternative will require additional environmental documentation to be completed by the Agency prior to implementation, if and when the Agency determines that it is necessary to implement these projects.

NOW, THEREFORE, BE IT RESOLVED, that the Board of Directors of the Pajaro Valley Water Management Agency does hereby adopt the Revised Basin Management Plan, including those water supply projects and basin management strategies in the Recommended Alternative which are indicated in Exhibit A.

BE IT FURTHER RESOLVED, that the Board of Directors hereby authorizes and directs Agency staff to take all reasonable and necessary steps to implement the indicated water supply projects and basin management strategies contained in the Recommended Alternative in accordance with Resolution 2002-04, and all applicable federal, state and local laws.

BE IT FURTHER RESOLVED, that the Board of Directors recognizes that prior to adoption and implementation of water supply projects and basin management strategies of the Recommended Alternative not indicated in Exhibit A, the Agency shall complete additional environmental documentation as may be required pursuant to CEQA.

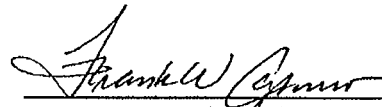
PASSED AND ADOPTED by the Pajaro Valley Water Management Agency, County of Santa Cruz, State of California, the 6th day of February, 2002, by the following vote:

AYES: Capurro, Carroll, Dobler, Eiskamp, Gallino, Imazio, Koenig

NOES: None

ABSENT: None

ABSTAIN: None


Frank W. Capurro, Chair

Attest:


Linda Contreras, Secretary

REVISED BMP RECOMMENDED ALTERNATIVE

* Items designated with an asterisk are indicated projects which have been evaluated in the Revised Basin Management Plan EIR and are approved by Resolution 2002-05

Phase I - Currently underway, completion in 2002

- Conservation: 7-year plan (5,000 AFY)
- Harkins Slough Project with Harkins Slough Recharge Basin and Supplemental Wells and Connections (1,100 AFY)
- Coastal Distribution System, Harkins Slough portion
- CVP Contract Assignment from Mercy Springs Water District for the Import Water Project
- Watershed Management Programs
 - Water Metering Program
 - Water Resources Monitoring Program

All projects in Phase I have been approved by previous actions of the Board.

Phase II – 2004-2007

- Coastal Distribution System, remaining portion (*approved by previous action of the Board*)
- 54-inch Import Water Project (13,400 AFY) *
 - Out of Basin Banking
 - Acquisition of CVP Water Supplies
 - Inland-alignment turnouts (to interested parties) and five supplemental wells *
- Recycled Water Project (4,000 AFY) *
- Watershed Management Programs
 - Nitrate Management Program
 - Wells Management Program
 - Recharge Area Protection Program

Phase III – Future (potential projects)

- Aquifer Storage and Recovery (ASR) of CVP Water
- Inland Distribution System
- Watsonville Slough Project and North Dunes Recharge Basin
- Murphy Crossing Project with Murphy Crossing Recharge Basins
- College Lake Project in coordination with U.S. Army Corps of Engineers flood protection project